

HB 1452 -- Check-Cashing Businesses

Sponsor or Co-Sponsors: Curls, Lowe, Walton, Bland, Haywood, Brooks

Same as or similar to: Year:

Emergency Clause: or Effective Date of:

Use Summary For: Version:, Year:,

Verbatim:

Modify above as follows:

New summary as follows:

This bill regulates check-cashing businesses. The bill:

(1) Requires persons engaged in the cash-checking business to be registered with the Division of Finance and re-register every 12 months. The application for registration will include a nonrefundable fee for each business location and may include any information the Director of the Division of Finance requires. A decision on the application must be granted or rejected within 60 days. The director must notify the applicant of a denial and, within 20 days of that notice, enter into the record a written decision containing the reason(s) for the denial. Applicants may appeal a denial within 30 days of the publication of the decision with the circuit court in which the check-cashing business is to be located;

(2) Prohibits check-cashing businesses from charging more than 2% of the face amount of any check, or \$5, whichever is less. For payroll or government checks, the maximum is the lesser of 1% or

\$5;

(3) Requires check-cashing businesses to clearly and conspicuously post in all places of business a schedule of fees with examples, a list of valid identifications, a copy of the registration certificate, and information about how to file a complaint;

(4) Requires that each customer be provided a receipt;

(5) Requires check-cashing businesses to notify the police or director if a customer tries to cash a check that they have reason to believe is stolen;

(6) Requires check-cashing businesses to file an annual report with the director and maintain and make available upon request all records needed to determine compliance with provisions of the bill for a period of at least 3 years from the date of each transaction;

(7) Prohibits check-cashing businesses from charging additional fees or fees in excess of those authorized; advertising falsely; conducting business at unregistered locations; or engaging in unfair, deceptive, or fraudulent acts or practices;

(8) Empowers the director to suspend or revoke the registration of check-cashing businesses for cause, conduct investigations and examinations to determine compliance, and issue cease and desist orders and take affirmative action to stop or prevent an unlawful act;

(9) Classifies violations of the provisions of the bill as unfair

and deceptive trade practices and makes any person who knowingly violates these provisions guilty of a class A misdemeanor; and

(10) Requires the director to submit an annual report to the General Assembly.